



Legislation Text

File #: 1269-2012, **Version:** 1

This legislation authorizes the Director of Public Utilities to enter into a contract with Ohio Mulch, Inc. for the purposes of providing a biosolids beneficial reuse program called Deep Row Hybrid Poplar (DRHP) program for the Division of Sewerage and Drainage.

This contract is for the implementation of the DRHP program on the 1,012 acre New Lexington Tree Farm, LLC, located in Perry Township, Perry County, Ohio, and owned by Ohio Mulch. This contract will authorize Ohio Mulch to remove a minimum of 27,000 and up to a maximum of 30,000 wet tons of biosolids annually from the DOSD's Wastewater Treatment Facilities (WWTFs) and reuse the biosolids in their DRHP program. All biosolids removed from the WWTFs will be Class B biosolids, with the majority of biosolids originating from the Southerly Wastewater Treatment Plant and with a smaller fraction of the biosolids originating from the Jackson Pike Wastewater Treatment Plant. The biosolids will be utilized as a nitrogen source to grow hybrid poplar trees which will later be harvested for mulch. In addition, the biosolids will add valuable organic material to the old abandoned mine site that is now repurposed as the New Lexington Tree Farm. Approximately 30 acres will be utilized per year at the New Lexington Tree Farm site with trees being harvested every 6 to 8 years.

The Director of Public Utilities received the Ohio Mulch, Inc proposal on April 15, 2011 in response to the DOSD Request for Proposals for Innovative Reuse of Biosolids and it was the only proposal received with the DRHP concept. Other proposals received include three mechanized dryer processes that would dry and pelletize biosolids for commercial wholesale and two biosolids-cake land application proposals. Of all proposals submitted under the Innovative Reuse of Biosolids RFP, the selection committee deemed the DRHP as the best fit for the DOSD Biosolids Program.

The terms for the award contract and modification 1 are as follows:

1. Award contract is for approximately 6 months at \$35 per wet ton and authorizes Ohio Mulch, Inc to remove up to 15,000 wet tons of Class B biosolids.
2. Modification 1 will extend the contract an additional 12 months at \$35 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids.
3. Modification 2 will extend the contract an additional 12 months at \$35 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids.

At the end of contract modification 2, 30 months will have elapsed from the contract and the DOSD and Ohio Mulch must chose to continue this contract by modification(s) according to Plan-A or Plan-B as follows:

Plan-A: accounting for the award contract and all modifications, Plan-A total contract duration is 5 years:

4. Modification 3 will extend the contract 18 months at \$35 per wet ton and authorizes Ohio Mulch, Inc to remove up to 45,000 wet tons of Class B biosolids.
5. Modification 4 will be the final modification for Plan-A and it will extend the contract 12 months at \$35 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids

Plan-B: accounting for the award contract and all modifications, Plan-B total contract duration is 10 years:

3. Modification 3 will extend the contract 18 months at \$28 per wet ton and authorizes Ohio Mulch, Inc to remove up to 45,000 wet tons of Class B biosolids.
4. Modification 4 will extend the contract 12 months at \$28 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids.

5. Modification 5 will extend the contract 12 months at \$28 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids.
6. Modification 6 will extend the contract 12 months at \$28 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids.
7. Modification 7 will extend the contract 12 months at \$28 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids.
8. Modification 8 will extend the contract 12 months at \$28 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids.
9. Final Modification 9 will extend the contract 12 months at \$28 per wet ton and authorizes Ohio Mulch, Inc to remove up to 30,000 wet tons of Class B biosolids.

SUPPLIER: Ohio Mulch, Inc. (31-1120540) Expires 8-02-13

FISCAL IMPACT: \$525,000.00 is needed for this award contract.

Award Contract for 6 months = \$525,000.00
Modification 1 for 12 months = \$1,050,000.00
Modification 2 for 12 months = \$1,050,000.00

Plan-A Modification 3 for 18 months = \$1,575,000.00
Plan-A Modification 4 for 12 months = \$1,050,000.00 end of Plan-A

Plan-B Modification 3 for 18 months = \$1,260,000.00
Plan-B Modification 4 for 12 months = \$840,000.00
Plan-B Modification 5 for 12 months = \$840,000.00
Plan-B Modification 6 for 12 months = \$840,000.00
Plan-B Modification 7 for 12 months = \$840,000.00
Plan-B Modification 8 for 12 months = \$840,000.00
Plan-B Modification 9 for 12 months = \$840,000.00

To authorize the Director of Public Utilities to enter into a contract with Ohio Mulch, Inc. for services in connection with the Ohio Mulch Deep Row Hybrid Poplar program; and to authorize the expenditure of \$525,000.00 from the Sewer System Operating Fund. (\$525,000.00)

WHEREAS, the procurement was conducted in accordance with the Request For Proposals (RFP) process set forth in Section 329.14, Columbus City Codes, 1959, and the Division's Evaluation Committee recommended the Ohio Mulch, Inc., for further consideration, and

WHEREAS, the Department of Public Utilities, hereby requests this City Council to authorize the Director of Public Utilities to award an agreement for professional services with Ohio Mulch, Inc. for the implementation of the Ohio Mulch Deep Row Hybrid Poplar program, at the earliest practical date; now, therefore

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Public Utilities be, and hereby is, authorized to award an agreement with Ohio Mulch, Inc., for the implementation of the Ohio Mulch Deep Row Hybrid Poplar program, in accordance with the terms and conditions as shown in the agreement on file in the office of the Division of Sewerage and Drainage.

SECTION 2. That the expenditure of \$525,000.00, or as much thereof as may be needed, be and the same is hereby

authorized from the Sewerage System Operating Fund, Fund 650, Department 60-05, to pay the cost thereof as follows:

OCA: 605378

Object Level 1: 03

Object Level 3: 3419

SECTION 3. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.